

# Free Care

Answering your questions about the  
Massachusetts Uncompensated Care Pool

## Notes

This newsletter is intended to answer questions about Free Care eligibility, and to help hospitals and community health centers understand the free care eligibility regulation, 114.6 CMR 10.00.

If you have questions about free care eligibility, please contact the Division of Health Care Finance and Policy at 617-988-3222.

Please share this newsletter with your billing staff and those who assist patients with free care applications.

### *Children's Medical Security Plan (CMSP)*

The CMSP provides limited authorization for same-day visits. This includes coverage for office visits when a child is sick or hurt. Therefore, when an uninsured child presents for an office visit, coverage for that visit can be obtained by contacting CMSP, and it is unnecessary to complete a free care application to cover that visit. Providers are required to assist patients with the CMSP application if patients wish to apply. For immediate CMSP enrollment assistance, call 800-531-2229.

### *Calculating Family Income*

Division of Health Care Finance and Policy (DHCFP) regulations define a family as the "patient, spouse and any minor dependents living in the household, and unborn children." All income received by all family members must be counted when calculating family income for the purposes of free care eligibility. This includes any income received by children in the family. Individuals are considered minor dependents until age 18. Once people turn 18, they are considered adults. Therefore, they must apply separately for free care and cannot be included on their parents' applications (this includes disabled children ages 18 and over). The DHCFP definition of a minor dependent has nothing to do with whether they are claimed as dependents on their parents' tax returns. Family income is calculated on a prospective basis. Therefore, for the purposes of free care eligibility, providers must estimate how much income the family is likely to receive during the next year, not how much income the family has made over the last twelve months. Past income history is only useful to the extent that it may be reflective of what the family may reasonably be expected to receive in income during the upcoming year.

### *2002 Federal Poverty Income Guidelines*

The 2002 Federal Poverty Income Guidelines have been released, and are effective February 14, 2002. All providers must begin using the new guidelines by April 1, 2002. Depending on your MLINK setup, either these figures will be automatically updated in your electronic application, or EDS will contact you to assist you in updating your software. If you have questions, contact the free care help line at 617-988-3222. Please note that the new Federal Poverty Income Guidelines are included on the reverse side of this edition of *Free Care Notes*, and are available at: [www.mass.gov/dhcfp](http://www.mass.gov/dhcfp).

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### *Audits*

The Division recently began a new round of provider audits. The Division generally selects providers for audit based upon providers' historical billings to the Pool, free care application submissions, and other reporting requirements. The Division is auditing both hospitals and community health centers for compliance with the requirements of 114.6 CMR 10.00 and 114.6 CMR 11.00. Sixteen audits are in process, and four will begin later this spring. If you have questions about these audits, please call the Division at 617-988-3222.

### *Motor Vehicle Accidents*

The Division's regulations describe the circumstances under which charges for services provided to patients injured in motor vehicle accidents may be written off to the Pool (see 114.6 CMR 10.04(4)(c)). Medical coverage under an auto insurance policy should be treated as insurance, and therefore these accounts should not be written off to the Pool as emergency bad debt because the patient is not uninsured. When applicants sign the free care application, they agree that if they receive any insurance settlement, they will repay the hospital for the services they received, and the hospital is required to pursue this avenue of payment, for example by placing a lien on the patient on any potential settlement. The services may be written off to the Pool if no settlement is forthcoming and the patient completes a free care application and meets free care eligibility criteria.

## 2002 Federal Poverty Income Guidelines

| Family Size            | 200%        | 250%        | 300%        | 350%         | 400%         |
|------------------------|-------------|-------------|-------------|--------------|--------------|
| 1                      | \$17,720    | \$22,150    | \$26,580    | \$31,010     | \$35,440     |
| 2                      | \$23,880    | \$29,850    | \$35,820    | \$41,790     | \$47,760     |
| 3                      | \$30,040    | \$37,550    | \$45,060    | \$52,570     | \$60,080     |
| 4                      | \$36,200    | \$45,250    | \$54,300    | \$63,350     | \$72,400     |
| 5                      | \$42,360    | \$52,950    | \$63,540    | \$74,130     | \$84,720     |
| 6                      | \$48,520    | \$60,650    | \$72,780    | \$84,910     | \$97,040     |
| 7                      | \$54,680    | \$68,350    | \$82,020    | \$95,690     | \$109,360    |
| 8                      | \$60,840    | \$76,050    | \$91,260    | \$106,470    | \$121,680    |
| Each additional person | add \$6,160 | add \$7,700 | add \$9,240 | add \$10,780 | add \$12,320 |

2002 Federal Poverty Income Guidelines are effective February 14, 2002.  
All providers must begin using the new 2001 guidelines by April 1, 2002.

Free Care Notes/Number 9  
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☞ *Are you the correct contact person at your site for this information? Are your name and address correct?*  
Please note any changes directly on this label and send to the address above or fax to Shelley Fortier at 617-727-7662.

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### *Free Care Notes*

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## Access to Health Care in Massachusetts: A Catalog of Health Care Programs for Uninsured and Underinsured Individuals, 2002 Edition

Updated with revised income guidelines, eligibility criteria, and information on several new programs, this valuable resource will be available very soon. Designed as a comprehensive resource for providers, this catalog contains detailed information on over 75 federal, state, and local programs. It includes programs ranging from MassHealth and Medicare to free dental clinics and discount prescription drug plans. We hope that this catalog, which provides information on eligibility guidelines, the range of services covered, and how to apply, will facilitate access to health care by helping to refer individuals to the most comprehensive health care programs for which they qualify. One complimentary copy will be sent to each hospital and community health center. Additional copies will be available for purchase for only \$10.00 each (this price includes shipping and handling). To reserve copies now, please contact Shelley Fortier at 617-988-3125 or email [shelley.fortier@state.ma.us](mailto:shelley.fortier@state.ma.us). The catalog also will be available on the DHCfp web site: [www.mass.gov/dhcfp](http://www.mass.gov/dhcfp).